

GAO

United States General Accounting Office

Report to Congressional Requesters

November 2000

# LAND MANAGEMENT AGENCIES

## Ongoing Initiative to Share Activities and Facilities Needs Management Attention



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# Contents

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Letter		3
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Appendixes	Appendix I: The Forest Service's and BLM's Use of Cross-Delegation of Authority	34
	Appendix II: Types of Agreements Used in Service First Projects	40
	Appendix III: Number and Type of Ongoing Service First Projects by State, Fiscal Year 1996 Through the First Half of Fiscal Year 2000	41
	Appendix IV: Number of Forest Service and BLM Units With Leases Expiring in the Next 20 Years	43
	Appendix V: Potential Opportunities for Forest Service and BLM to Colocate Units	44
	Appendix VI: Incentive Fund Projects Funded in Fiscal Year 2000	48
	Appendix VII: Objectives, Scope, and Methodology	54
	Appendix VIII: Comments From the Forest Service	59
	Appendix IX: Comments From the Bureau of Land Management	61
	Appendix X: GAO Contacts and Staff Acknowledgments	63

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Tables	Table 1: Estimated Dollar Savings of Service First Projects by State, Fiscal Years 1996 Through the First Half of Fiscal Year 2000	14
	Table 2: Type of Activity of Service First Projects	41
	Table 3: Number of Service First Projects and Goals to Be Achieved by State, Fiscal Year 1996 Through the First Half of Fiscal Year 2000	42
	Table 4: Incentive Fund Projects Funded by the Forest Service and BLM by State	48
	Table 5: Purpose of Incentive Fund Projects Funded	50
	Table 6: Service First Proposals Funded by State	53
	Table 7: Locations Visited	54

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Figures	Figure 1: Joint Front Desk Operation at La Jara, Colorado	10
	Figure 2: Increase of Service First Projects From Fiscal Year 1996 Through the First Half of Fiscal Year 2000	12

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## Contents

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Figure 3: Forest Service and BLM Colocated Unit at Lakeview, Oregon	16
Figure 4: Forest Service and BLM Colocated Unit at Durango, Colorado	17

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## Abbreviations

BLM	Bureau of Land Management
FS	Forest Service
GAO	General Accounting Office



United States General Accounting Office  
Washington, D.C. 20548

November 21, 2000

The Honorable Bob Goodlatte  
Chairman, Subcommittee on Department Operations,  
Oversight, Nutrition, and Forestry  
Committee on Agriculture  
House of Representatives

The Honorable Helen Chenoweth-Hage  
Chairman, Subcommittee on Forests and Forest Health  
Committee on Resources  
House of Representatives

The organizational and demographic profiles of the Bureau of Land Management (BLM), within the Department of the Interior, and the Forest Service, within the Department of Agriculture, are very similar in many respects. The similarities include the agencies' missions and goals, the amount of land managed, the purposes for which the land is managed, the types of employees hired, and the location and types of offices maintained.<sup>1</sup> These similarities present opportunities for increasing the cooperation and coordination between the agencies.

In March 1996, the Forest Service and BLM announced what they refer to as their Service First<sup>2</sup> initiative, which is aimed at improving customer service and promoting efficiencies and economies in their operations through steps ranging from sharing personnel to colocating offices. The agencies initiated pilot projects in Colorado and Oregon to provide the public with "one-stop shopping" for the services provided by the agencies. The Congress initially provided the Forest Service and BLM the authority to exercise each other's authorities, duties, and responsibilities (known as cross-delegation of authority) in the pilot locations until fiscal year 2002 to assist the agencies in achieving the goals of the initiative. On October 11, 2000, the cross-delegation of authority was extended agencywide through fiscal year 2005.

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<sup>1</sup>See *Land Management: The Forest Service's and BLM's Organizational Structures and Responsibilities* (GAO/RCED-99-227, July 29, 1999).

<sup>2</sup>The Service First initiative was initially called the Trading Post program until fiscal year 1998 when the name was changed to Service First. For ease of presentation, we will call the initiative Service First throughout the report.



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Because of the similarities in the Forest Service's and BLM's missions, goals, and activities and because of your interest in the issues surrounding the coordination and streamlining of the Forest Service's and BLM's activities, you asked us to assess the progress and problems of the Service First initiative. This report provides information on (1) the results of the Service First initiative to date, (2) the opportunities for further expanding the Service First initiative between the agencies, (3) the barriers to further expanding the Service First initiative between the agencies, and (4) Service First issues requiring management attention.

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## Results in Brief

The Service First initiative has grown substantially since its beginning in fiscal year 1996. It has grown from 15 projects in fiscal year 1996 to 272 ongoing projects by mid-fiscal year 2000. Service First projects are currently under way at 59 Forest Service and BLM locations in 11 states. Most projects involve shared personnel, shared equipment, joint projects—such as training, recreation, noxious weed control, and range activities—and joint front desks at colocated facilities. The Forest Service and BLM estimated that ongoing Service First projects have had cumulative savings of about \$5.4 million from fiscal year 1996 through the first half of fiscal year 2000. However, agency-level data to support the claimed savings were not readily available, nor did the agencies have a system in place to collect basic information, such as the number and location of units participating in the initiative, the types of projects being undertaken, and the savings and benefits achieved from the initiative. Some of the individual units we visited, however, provided the calculations and methodology for their claimed savings, which appeared reasonable to us.

The colocation of Forest Service and BLM units provides the best opportunity for the agencies to jointly serve the public, effect operational efficiencies, and improve the management of the land. Although a limited number of colocations have been accomplished, we identified opportunities for colocating as many as 169 additional units in 63 cities or towns. Although the Forest Service and BLM are considering colocating 22 of these units, we believe that in the near term, the best opportunities would be the colocation of an additional 69 of the 169 units that are housed in government-owned buildings or leased building with leases expiring within the next 5 years. Agency officials said that while units may want to colocate, many factors such as leases expiring at different times and the unavailability of construction funds need to be considered in evaluating colocation possibilities. Because of the operational efficiencies achieved as a result of colocation to date, we are recommending that the Chief of the

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Forest Service and the Director of BLM intensify their efforts to colocate their units by developing a plan that sets forth a strategy to achieve the highest number of colocated units.

BLM and the Forest Service face significant legal, regulatory, and other barriers that may preclude fully integrating the agencies' resource programs—such as recreation, timber, water, or mining. These overarching barriers, such as different land use planning legislation and regulations that preclude consistency in the agencies' planning processes, will be almost impossible to change unless a clear consensus for such a change exists among the agencies and the Congress. As a result, the Service First projects undertaken have been limited to what some in the agencies characterized as "picking the low-hanging fruit"; that is, those projects that are easily accomplished. According to local officials, other barriers that make working in a Service First environment difficult, such as incompatible e-mail systems, could be resolved more easily than the legal and regulatory barriers.

The full integration of the agencies' operations ultimately depends on resolving the overarching legal and regulatory barriers as the agencies pursue expansion of the initiative. However, before the initiative is expanded agencywide, we believe a number of program management issues need attention. First, the agencies lack management information systems to collect the basic information on the number of locations participating in the Service First activities, the types of projects undertaken, and the savings or benefits achieved from the initiatives. In addition, the Service First initiative has no required program evaluation component. Second, the agencies lack overall operating guidance on how to implement the Service First initiative effectively. Finally, the management practices employed on the newly created Incentive Fund—to fund new and innovative Service First projects—have been weak, in that the process for selecting projects to fund was not documented and no assurance exists that the agencies selected the best projects. We believe the agencies, collectively, need to better manage the Service First initiative and address the issues we identified. Accordingly, we are recommending that the Chief of the Forest Service and the Director of BLM (1) jointly develop a system that will provide reliable data to track the status and progress of the initiative and provide a basis for measuring and evaluating the results of the initiative; (2) issue overall guidance for the initiative; and (3) jointly develop guidelines for the Incentive Fund's project selection process, including documentation requirements, before additional funds are provided.

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We provided the Forest Service and BLM with a draft of this report for comment. In their coordinated responses, the agencies generally concurred with our findings and recommendations. However, the agencies suggested that our report could have discussed the applicability of Service First as a governmentwide model and the intrinsic benefits of customer service. We agree that Service First is a promising approach, but numerous barriers and management problems must be addressed before Service First could be considered as a model. With regard to customer service, we do note in several places in our report that Service First has increased customer service.

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## Background

The Forest Service's and BLM's lands are concentrated in the West and, to a large extent, are contiguous. Each of the agencies has specific legislation guiding how its lands are to be used, and each manages its lands for multiple uses through a multilevel—headquarters and field office—organizational structure. The agencies are responsible for managing the same types of natural resources—such as timber, minerals, grazing, recreation, and wildlife. Yet, while these similarities exist, the agencies differ in terms of the magnitude of and emphasis on these resources. The two agencies also often carry out their responsibilities under different rules, use different administrative processes, charge different user fees for similar services, and take different approaches to customer service—all of which may result in confusion for the public and may waste resources. As result, in March 1996, the Forest Service and BLM announced the Service First initiative and designated pilot projects in Colorado and Oregon to provide the public with “one-stop shopping.” The Service First initiative has three primary objectives:

- increase customer service,
- increase operational efficiency, and
- increase the quality of resource stewardship.

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According to agency officials, the Service First initiative ideally would combine or colocate the Forest Service and BLM resources and functions under one roof.<sup>3</sup> Two methods have been used: The Colorado pilot focused on boundaryless management of the lands and a "one roof, one manager concept," using the cross-delegation of authority granted by the Congress, while the pilot in Oregon emphasized interagency teams and cooperative ventures. Service First activities may be as simple as sharing the cost of the operations of a front desk or information center to a more complex operation in which units are headed by a cross-delegated manager who has full responsibility for the lands of both agencies.<sup>4</sup> The joint projects run the gamut of the agencies sharing of program operations, including recreation, road maintenance, range specialists, timber sales, and watershed analyses. Service First locations also share in the cost of personnel, ranging from an administrative officer to oversee the operations of a colocated unit to specialists such as an archeologist.

The Forest Service and BLM use several types of agreements for carrying out Service First projects. These agreements establish the framework under which the agencies implement the projects and generally set the responsibilities and funding requirements of both agencies. The most common agreements used are memorandums of understanding, interagency agreements, and informal agreements. A detailed description of each of these types of agreements is in appendix II.

The Service First initiative was initially seen as a grassroots effort that would allow local units flexibility to determine which projects to undertake and to decide how an initiative would be managed to generate a sense of ownership in the results. The Colorado and Oregon pilot units were provided with the following program parameters: "(1) Is it legal? (2) Is it good for our customers? (3) Is it something we are willing to be accountable for? and (4) Is it consistent with our agency missions?" In other words, local units could operate with flexibility to adjust systems, processes, and personnel to meet current and changing needs. Units were not provided with specific guidance on how to operate their programs, nor were they required to evaluate and measure any program successes.

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<sup>3</sup>Service First could include partners such as other federal or state agencies, but this report focuses on the primary efforts of the two key organizations—the Forest Service and BLM.

<sup>4</sup>See app. I for a discussion of the cross-delegation of authority and examples of where it is used.

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The Service First concept is locally driven, with no formal management structure and no budget line item funding—activities are carried out within the agencies' existing budgets. Oversight is provided by the Interagency Steering Committee comprising Forest Service deputy regional foresters, BLM associate state directors, and advisers who include a contact person at each agency's headquarters in Washington, D.C. Those serving on the steering committee have full-time positions and duties and serve on the steering committee part-time. The steering committee was tasked with developing and overseeing a framework for expanding collaboration between the Forest Service and BLM everywhere. The steering committee is authorized to remove internal barriers to achieving the mutual objectives of the initiative, and it is within the committee's purview to make recommendations to top agency management about barriers that require legislative, regulatory, or policy changes.

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### The Service First Initiative Has Grown and Has Achieved Some Benefits

Most of the Service First projects have involved shared personnel, shared equipment, joint administrative projects, and joint management of the lands. The number of projects initiated under Service First from 1996 through the first half of fiscal year 2000 has grown and, according to agency officials, the projects have improved operational efficiencies, customer service, and the stewardship of the land. According to the Forest Service and BLM officials, the Service First initiative has increased from 15 projects in fiscal year 1996 to 272 ongoing projects at 59 locations in 11 states by the first half of fiscal year 2000. The Forest Service and BLM estimated that ongoing Service First projects have had cumulative savings of about \$5.4 million since 1996. However, agency-level data to support the claimed savings were not readily available. Nor did the agencies have a system in place to collect basic information, such as the number and location of units participating in the initiative, the types of projects being undertaken, and the savings and benefits achieved from the initiative. Some of the individual units we visited, however, provided the calculations and methodology for their claimed savings, which appeared reasonable to us.

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### Service First Initiative Encompasses a Variety of Projects and Activities

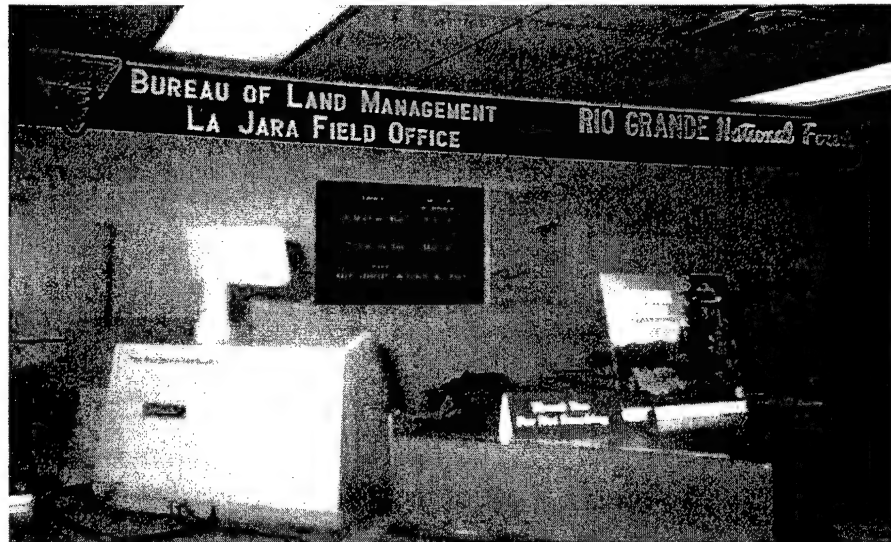
The benefits achieved from Service First activities have, for the most part, been on the administrative side of the agencies' operations. That is, according to the agencies, units undertake projects that are easily accomplished—"picking the low-hanging fruit"—rather than tackling the integration of resource activities such as timber, recreation, water, or wildlife. Service First projects involve a variety of activities and generally

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fall into five categories. The types of projects, and examples of each, follow:

- *Shared personnel*—One type of project includes shared staffs between local units of BLM and the Forest Service. For example, in Colorado, the BLM Grand Junction Field Office and the Forest Service's Grand Junction Ranger District jointly pay the salary for an archeologist, and funds are transferred under an interagency agreement from the borrowing unit to the employing unit. Thus both units have access to this specialist, an arrangement that is more efficient than each unit's having an archeologist on detail from another location and that better ensures that needed work is accomplished. Also, for example, in Oregon, several units, including the colocated Forest Service and BLM unit in Prineville, share a public relations officer, which allows the public to receive more consistent information and avoids having one public information officer for each agency. Other personnel who may be paid for jointly by the agencies include shared receptionists or information staff at a front desk or graphics specialists.
- *Shared equipment and shared facilities*—These projects allow the two agencies to share office equipment, telephone systems, heavy road equipment, vehicles, horses, trailers, and facilities such as warehouses and garages, mail rooms, and supply rooms. For example, the colocated units in Saguache, Colorado, share the cost of a supply and copying center and use one another's equipment, such as front-end loaders and road scrapers for road maintenance. The agencies' officials at this location believe that this sharing makes their operations more efficient.
- *Customer service and information*—This category includes the "one-stop shopping" projects meant to provide seamless government operations and information to the public. These projects provide joint permits for removing firewood, rocks, forest products, and Christmas trees from federal lands, and for recreational activities. The projects may also provide joint map sales, information brochures, computers for land records or other local land information, and other customer services. Customer services were available through joint front desks at most of the units we visited. Figure 1 shows the joint front desk at the colocated unit in La Jara, Colorado.

Figure 1: Joint Front Desk Operation at La Jara, Colorado



- *Joint administrative projects*—Some tasks or projects are more administrative or crosscutting in nature and cannot be directly tied to implementing a specific resource program. These projects include training, developing and maintaining local Web sites, travel arrangements, payroll, developing generalized databases or computer systems, geographic information system activities, and procurement. For example, the agencies' Cañon City, Colorado, units developed a joint volunteer manual, and the BLM Oregon State Office and the Forest Service's Pacific Northwest Regional Office developed a joint supervisory training manual that was used at the Lakeview, Oregon, units.
- *Joint management of intermingled lands*—Projects in this category focus mainly on specific land management activities or programs that are on both BLM or Forest Service lands and are carried out by the staffs of either or both agencies on each other's lands. Examples of land management activities include prescribed burning, noxious weed control, range management, land management planning, watershed analysis, wildlife surveys, joint environmental impact statements or activity management plans, resource studies, timber sales, recreation activities, or developing and maintaining roads and campsites. For example, the Cañon City, Colorado, units have a joint effort whereby the agencies join forces to perform prescribed burns on both agencies'

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lands to reduce the risk of wildfire by clearing away underbrush. According to Cañon City officials, this joint effort allows them to treat more acres than they could individually.

Appendix III, table 2 provides additional details on the number of Service First projects.

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### Ongoing Projects and Participating Units Have Grown in Number and Have Achieved Some Savings

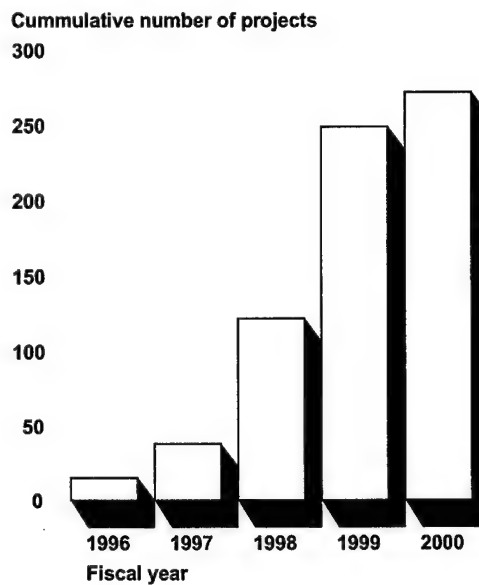
To determine the results of the Service First initiative to date, we asked the Forest Service and BLM for data on the number of projects and the savings achieved from inception to the first half of fiscal year 2000 on all ongoing Service First projects. The agencies did not have data readily available and had to request information from every field unit participating in the Service First initiative. These data showed that the number of ongoing Service First projects increased significantly from fiscal year 1996, when the agencies initiated 15 projects, to a total of 272 ongoing projects as of the first half of fiscal year 2000, as shown in figure 2.<sup>5</sup>

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<sup>5</sup>While the agencies initially provided information for 588 projects, we excluded from our analysis all (1) projects implemented prior to 1996, (2) projects for 1996 and 1997 that were not part of the original pilot projects, (3) projects that did not involve both BLM and the Forest Service, and (4) wildfire-related projects because they were not part of the Service First initiative. Agency officials agreed that these projects should be excluded from an analysis of Service First.



**Figure 2: Increase of Service First Projects From Fiscal Year 1996 Through the First Half of Fiscal Year 2000**



Source: GAO based on data provided by the Forest Service and BLM.

The 272 projects were located in 59 cities or towns in 11 states, with Oregon accounting for 120 projects, or about 44 percent of the total. Oregon also had units participating in Service First in 11 cities or towns, and the units with the most projects were Roseburg and Prineville, with 31 and 17 projects, respectively. Together, Oregon and Colorado, the two original pilot states, accounted for about 68 percent of all Service First projects.

Individual projects may achieve one or more of Service First's goals. Of the 272 projects, 193 aim at increasing operational efficiency, 128 aim at increasing customer service, and 123 aim at increasing the quality of resource stewardship. One project, for example, a joint firewood permit effort, allows customers to obtain a permit from a single location to gather firewood on Forest Service and/or BLM lands rather than having to travel to two separate locations to obtain two permits. This project also promotes administrative efficiencies in the agencies' operations because one joint permit eliminates the dual administrative functions needed to issue

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separate permits. See table 3 in appendix III for the number of projects in each state and the goals the projects were intended achieve.

According to Forest Service and BLM estimates, Service First projects have achieved financial savings of \$5.4 million from the inception of the initiative in fiscal year 1996 through the first half of fiscal year 2000. Since the agencies did not have data readily available to support the savings claimed, we asked several units we visited to recreate the basis for the savings they claimed. These offices—Prineville and Lakeview, Oregon, and Durango and Grand Junction, Colorado—accounted for about 57 percent of the total savings and had calculations and methodology that appeared reasonable to us. However, because we were not provided with detailed documentation for the remaining projects, we were unable to review how the agencies calculated the dollar savings or whether their methodologies were appropriate. The \$5.4 million estimate is based on 83 projects that the agencies identified as having savings. Among the projects with the largest reported savings are the following:

- The units in Prineville, Oregon, claimed savings of about \$1 million over 4 years as a result of sharing heavy equipment for road maintenance activities.
- A statewide Service First initiative in Colorado eliminated 12 communication facilities, radio repeaters, and other support facilities and saved about \$600,000 over 3 years.
- In Durango, Colorado, units claimed savings of \$248,000 over 4-½ years by combining the responsibilities of the forest supervisor position with the BLM field manager position.

Table 1 shows the estimated savings by state.

**Table 1: Estimated Dollar Savings of Service First Projects by State, Fiscal Years 1996 Through the First Half of Fiscal Year 2000**

State	Estimated savings	Percentage of total
Alaska	\$0	0
Arizona	0	0
California	70,000	1
Colorado	1,150,860	21
Idaho	408,250	8
Nevada	0	0
New Mexico	133,600	2
Oregon	3,136,466	58
Utah	168,000	3
Washington	85,500	2
Wyoming	247,100	5
<b>Total</b>	<b>\$5,399,776</b>	<b>100</b>

Source: GAO based on data provided by the Forest Service and BLM.

The agencies claimed nonfinancial benefits for the remaining 189 projects, 133 of which were in Oregon and Colorado. One example of a project with nonfinancial benefits is the Noxious Weed Education Program in Silver City, New Mexico. The agencies also claimed nonmeasurable financial benefits from projects such as the Reforestation Seedlings Production project in Tillamook, Oregon, and the joint law enforcement activities between the Forest Service's Pacific Northwest Region and BLM's Oregon State Office.

## Numerous Opportunities Exist for Colocating Additional Units

Given the results of the Service First initiative to date, it appears that the colocation of Forest Service and BLM units is one of the most beneficial actions taken in terms of operating efficiencies and service to the public. Although the agencies have colocated some of their units, opportunities for colocating as many as 169 more units exists. We found that in 63 cities or towns, each agency had one or more units that may be candidates for colocation—in some cases, the units were within blocks of each other. Although the Forest Service and BLM are considering colocating 22 of these units, we believe that in the near term, the best opportunities could be the colocation of an additional 69 of the 169 units that are housed in

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government-owned buildings or leased buildings with leases expiring within the next 5 years. Local agency officials told us that while the units may want to colocate, a number of issues will need to be addressed to make colocation a reality, such as the need to reconcile leases expiring at different times and the need to obtain funds necessary to add on to an existing building or construct a new one. Notwithstanding these factors, it is our view that the agencies should develop a colocation plan that sets forth a strategy to achieve the highest number of colocated units.

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### Colocation of Units Offers the Best Potential for Expanding the Service First Initiative

Colocation involves the sharing of a building by two or more public agencies. The agencies may occupy the same buildings, but share only facilities such as parking, credit unions, cafeterias, and day care centers, or the agencies may share reception areas, libraries, and copy centers. The agencies may also cross-delegate managers, have joint administrative officers, and share personnel, heavy equipment, vehicles, supplies, and work on an integrated basis to manage resources on both the Forest Service's and BLM's lands. Thus, it appears to us that colocation of units offers the best potential for expanding the Service First initiative.

According to the Interagency Steering Committee, colocation is intended to promote efficiencies and to provide seamless government services to the public, such as "one-stop shopping" for permits and services, and to reduce red tape by using the same procedures in both agencies. The steering committee has taken the position that units should look for opportunities to colocate unless there is a compelling reason not to do so. According to agency officials, collocating units results in many efficiencies, such as substantially reduced space costs, shared equipment and maintenance costs, reduced utility costs, combined support services, shared telecommunications networks and increased services to the public. Moreover, these officials believe that colocation helps remove cultural barriers by building trust and relationships among the staffs of the agencies.

- In Oregon, agency officials from BLM's Lakeview District Office and the Forest Service's Fremont National Forest Supervisor's Office in Lakeview noted that being colocated has saved them money and has helped with coordination and communication. Although the Lakeview offices actually colocated in fiscal year 1999, they had shared personnel and conducted joint projects since 1996. According to the Forest Service and BLM officials, the estimated savings as the result of colocation total about \$1.1 million, which includes savings from the sharing of personnel and conducting joint projects

such as the noxious weed program. Figure 3 shows the Lakeview Interagency Office sign designed to provide one face to the public for land management activities.

**Figure 3: Forest Service and BLM Colocated Unit at Lakeview, Oregon**



- In Colorado, the Forest Service's San Juan National Forest Office and BLM's San Juan Field Office colocated in Durango have fully integrated their staff. The agencies share the building costs and have identified opportunities to work together to increase customer service and operational efficiencies. For example, the agencies told us that the range management and minerals management staffs of both agencies work in the same area of the building, which improves coordination and communications. According to the Forest Service and BLM officials, estimated savings as the result of colocation totaled about \$370,000 since fiscal year 1996, including savings from sharing personnel and conducting joint projects such as their joint telephone and computer support project. Another benefit of colocation is providing the public with "one-stop shopping" as shown at the San Juan Public Lands Center in figure 4.

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**Figure 4: Forest Service and BLM Colocated Unit at Durango, Colorado**



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### Many Additional Units Can Be Colocated

Most Forest Service and BLM units are located in the western states and Alaska. The agencies' units are often in the same communities or within commuting distance. For the Forest Service, these units consist primarily of regional, national forest, and ranger district offices. Similarly, for BLM, these units consist primarily of state, district, field, and resource area offices. These units are housed in government-owned or leased buildings.

We identified 63 cities or towns where both the Forest Service and BLM had one or more units. The total number of units identified was 169, and they were located in 16 states.<sup>6</sup> We selected these units for analysis since they represented the greatest opportunity to be considered for colocation because, in most cases, the cities were relatively small, the units were close together, and the types of offices were similar or compatible in nature.

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<sup>6</sup>Not included in the 169 units are 9 fire-related units, 22 specialized units such as research centers and laboratories, and 4 additional offices. We excluded these offices because they serve a specialized function that is not directly tied to customer service or resource stewardship.

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Of the 169 units, 22 plan to colocate by 2001 and to do so will either add space to an existing building or construct or move to a new facility. Most of these units (13) are in Idaho. Of the remaining 147 units—located in 56 cities or towns—100 were housed in leased buildings and the remaining 47 units were located in government-owned buildings. For the 100 units in leased buildings, the years remaining on the leases ranged from less than 1 year to 20 years, with 57 units having 5 years or less remaining on their leases. Appendix IV shows the 100 Forest Service and BLM units in leased buildings and the years remaining on their leases.

Our analysis of the 147 units showed that 69 units located in 30 cities or towns were housed in government-owned buildings or leased buildings with leases that expire in 5 years or less. We believe that these locations may be the best opportunities for the agencies to colocate additional units in the near term. Appendix V shows the 69 units that are in the same city or town that we believe have the greatest potential for colocation and the 22 units that the agencies plan to colocate.

While our analysis focused on the 147 Forest Service and BLM units located in the same city or town, additional opportunities for colocation beyond these units may exist. For example, Forest Service and BLM units may be located in different cities and towns but be in the same general geographic area. In addition, other agencies could colocate with the Forest Service and BLM to improve the management of the land. For example, in Roseburg, Oregon, the Forest Service unit is already colocated with the Fish and Wildlife Service and the National Marine Fisheries Service. These agencies work together to implement the Pacific Northwest Forest Plan.

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### Colocation Decisions Are Affected by Various Factors

According to local Forest Service and BLM officials, while units may want to colocate, they may be prevented from doing so because of factors such as insufficient space in their current facilities, leases that expire at different times, and the inability to obtain the funds to construct the shared space. One reason given for not colocating was that the building housing one agency had insufficient space to accommodate the other agency. For example, in Missoula, Montana, neither the Lolo National Forest nor BLM's Garnet Resource Area, which have offices in separate government-owned buildings, has enough room to house the other agency.

A second reason the agencies reported for not colocating was that one or more of the units were under existing leases or have leases expiring at different times. According to the Service First Interagency Steering

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Committee, for colocation to work, the leases for the affected units would have to expire at or about the same time. For example, the terms of the leases differ for the Forest Service's and BLM's units in Cedar City, Utah. BLM's district office in Cedar City has 6 years remaining on its lease, while the Forest Service's two units have 1 year remaining on their lease. At these units, local agency officials have discussed the possibility of colocating, but because the leases expire at different times, the units have not been able to move toward sharing a building.

Another reason units do not colocate is that they are unable to get the funding needed to colocate by the time their leases expire. For example, the Umpqua National Forest Office in Roseburg, Oregon, has 3 years remaining on its lease and would like to colocate with BLM's Roseburg District Office by constructing an addition to the BLM-owned building. According to Umpqua National Forest officials, the office has requested funds to build the addition, but other agency priorities preclude the forest office from receiving the money for 3 to 5 years. Forest officials noted that they may have to move to a new leased building or stay in the existing building under a new more expensive lease agreement. The officials said that colocation with BLM would be a tremendous opportunity for cost savings. They added that colocation also makes sense in that both agencies' lands are contiguous and both agencies have to implement the Pacific Northwest Forest Plan. These units currently participate in several shared initiatives, and colocation could facilitate their activities.

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## Numerous Barriers Must Be Overcome Before Service First Can Be Fully Successful

Service First has achieved some level of benefits and probably can achieve more; however, achieving fully integrated operations would require the agencies to overcome a number of fundamental legal, regulatory, and other barriers. Resolution of these overarching legal and regulatory barriers will require the agencies and the Congress to reach consensus on the need for change. Pending resolution of these fundamental barriers, successes from the Service First initiative, while beneficial, will be on the margin. Currently, the Service First participants are working around these barriers to achieve some benefits, but managers and staff must know and apply the applicable laws and regulations of each agency before any project is undertaken, which requires additional effort on the part of managers and staff. According to local officials, other barriers that make working in a Service First environment difficult, such as incompatible e-mail systems could be resolved more easily than the legal and regulatory barriers.



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## The Most Difficult Barriers to Overcome Involve Different Legal and Regulatory Requirements

The Service First steering committee identified legal and regulatory barriers that must be overcome if the Service First goals of fully integrated operations are to be attained. These barriers, for the most part, stem from the fact that the agencies are in different departments and have different authorizing legislation for their activities. As a result, congressional action may be required to remove these barriers. We discuss five of these identified barriers in detail below.

### Federal Process for Interagency Transfer of Funds Is a Labor-Intensive and Cumbersome Process

The process for transferring funds between the agencies for services performed under the Economy Act,<sup>7</sup> has proven to be very labor-intensive and cumbersome, involving extensive paperwork. This process requires many reimbursable transfers in both directions, some for individual tasks. For example, the joint administrative officer for the colocated unit in Lakeview, Oregon, told us that in a given year she needed to execute about 40 reimbursable work agreements to complete the transfers of money between the Forest Service and BLM for projects such as the shared use of photocopy machines, mail rooms, the joint use of a writer-editor, the salaries of shared employees, and a weed control contract. In other instances, local officials told us that to avoid the cumbersome paperwork process, they reach informal agreements to share staff or other resources such as equipment of equal value because, in the end, "it all balances out."

In an effort to overcome this barrier, the agencies requested that a provision be inserted in the fiscal year 2000 Interior and Related Agencies Appropriations Act to establish a Transfer Appropriation Account to expedite the transfer of money between the agencies to compensate them for services performed. However, when the agencies attempted to implement the Transfer Appropriation Account, they determined that the process was a much more complex budget mechanism than originally envisioned. They believe the mechanism is not feasible, given the nature of the Service First operations and that they may need additional account managers at the headquarters of the agencies to administer the transfer of funds.

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<sup>7</sup>The Economy Act (31 U.S.C. 1535 and 1536) allows agencies to request goods and services from a major organizational unit within the same agency or another agency on a reimbursable basis.

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**Different Land Management  
Legislation Precludes  
Consistency in the Agencies'  
Planning Processes**

The agencies have different authorizing legislation that precludes consistency in their planning processes. The Forest Service uses the National Forest Management Act and BLM uses the Federal Land Policy and Management Act to guide the agencies' planning. The National Forest Management Act requires the Forest Service to update its existing forest plans every 5 years and to issue new plans every 10 years, whereas BLM only modifies plans as needed for changed conditions. The agencies' approaches differ in terms of planning schedules, collecting inventory data, and evaluating scientific input. According to the agencies, these differences result in duplication of staffing and effort between their planning staffs, and the two agencies also engage the public differently in their planning process, especially when a plan is appealed.

**Financial Management Laws and  
Regulations Make Integration of  
Agencies' Budget and  
Accounting Policies and  
Processes Impossible**

The agencies have different policies and processes for financial management and reporting that currently make it impossible to link or blend the budget, allocation, or reporting of Service First activities. Federal laws and regulations require budget requests to be made at the program activity level. Likewise, cost structures of the two agencies that record budget execution and related accounting must also occur at that level. As a result, the two agencies' systems for fiscal planning, allocating, spending, and tracking budgets are quite different. The processes used to manage the budget, the degree of flexibility, the nature of the spending constraints, and frequently, the year-to-year areas of the budget emphasis as well as the federal financial management laws and regulations make integration impossible. In addition, the agencies' payroll systems and methods of reporting are different and, of necessity, go to different centers for processing. BLM's accounting function is more centralized, whereas the Forest Service's is decentralized at the forest level. For example, certain items of overhead costs flow from the agencies' budgets quite differently, and it becomes very difficult to allocate because BLM's overhead is controlled and charged at the state level for all units under its control, whereas the Forest Service's overhead is allocated to each unit within a regional office's control down to the ranger district.

**Agencies Have Different  
Regulations and Procedures for  
Administering Similar Activities**

Each of the agencies has different regulations and procedures for administering very similar activities, such as handling grazing permits, outfitter permits, National Environmental Policy Act requirements, and timber sales on contiguous lands. In many cases, the customers are the same, the types of services are the same, and the resources used are very similar. But differing regulations and policies can prevent the agencies from integrating their activities in these areas. For example, the agencies attempted to develop a unified grazing permit that would have allowed

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them to cooperate in the management of the lands, improve customer service, and ultimately reduce the cost of providing these services. On its face, this appears to be an efficient and reasonable approach to take; however, the Department of Agriculture's Office of General Counsel and the Department of the Interior's Solicitor's Office both said that there were regulatory and legal impediments to such a unified permit. This barrier was recognized by the Congress and addressed in the Department of the Interior and Related Agencies Appropriation Act for fiscal year 2001, dated October 11, 2000. Section 330 of the act states that "In fiscal years 2001 through 2005, the Secretaries of the Interior and Agriculture may pilot test agency-wide joint permitting and leasing programs, subject to annual review of Congress, and promulgate special rules as needed to test the feasibility of issuing unified permits, applications, and leases."

#### Agencies' Records Must Be Maintained Independently to Meet Federal Record Management Requirements

The sharing of facilities and operations also involves records management. Under the current colocation arrangements, the agencies' records must be maintained independently, which requires employees from each agency, at a minimum, to learn about the record keeping practices of the other agency. However, agency officials note that commingling records has proven not to be as easy as it initially appeared. Both agencies have different laws and regulations under which their resource programs operate, and they also have different processes, procedures, and information systems. Each agency's records have different retention times and disposition authorities approved by the National Archives and Records Administration. Finally, approval by the Office of Management and Budget is required before the two agencies may use joint forms under the information collection process requirements.

#### Other Barriers Can Be More Easily Resolved

According to the local Forest Service and BLM officials we interviewed in Colorado and Oregon, additional barriers exist that make operating under a Service First environment difficult. However, these officials believed that many of these barriers could be resolved more easily than the legal and regulatory barriers:

- *Organizational styles and cultures of the agencies* are deeply rooted. Both agencies have long histories, and the employees have loyalty to their respective agencies. At the locations we visited, agency officials told us that the cultural differences between the agencies were a significant barrier to the Service First initiative. The agencies are in different cabinet departments, and the Forest Service is much larger than BLM, which leads to a feeling among BLM employees that they will be absorbed by the Forest Service. In addition,

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according to local agency officials, the Forest Service is viewed as a much more regimented agency, whereas BLM is viewed as much more flexible in implementing federal programs. These issues seem to have become more prevalent because of downsizing and budget constraints.

- *Personnel practices* differ between the agencies. When the agencies try to work together, these differences hinder and sometimes stop innovation at the field level. These differences also raise the question of equitable treatment of agencies' employees working together on similar projects or activities. Our discussions with local agency officials indicated that these barriers are the result of significantly different policies and procedures, including position descriptions and grade structure; ratings, promotions, and awards; adverse actions, grievances, and discipline or penalties; and recruitment and vacancy announcements.
- *Public access policies* dealing with the public's access to the lands are quite different. For example, in Del Norte, Colorado, we were told that the Forest Service's regulations state that the public cannot go off-road in vehicles unless there is a sign permitting such use. BLM's lands, however, are open to the public unless specifically prohibited. This creates uncertainties on the part of the public and presents problems of enforcement by the agencies.
- *Appeal processes* for agency decisions are quite different. The Forest Service's system is much more complex than BLM's in that a decision may go through several layers of appeal before the decision is litigated. Conversely, BLM's appeals process provides for only one level of appeal at the state office, and if the appellant is not satisfied with the state office decision, the appellant's only recourse is litigation. This presents particular problems when the agencies' decisions on joint projects are appealed and a determination must be made about which agency's appeals procedures should be used.
- *Law enforcement* authority is not fully transferable between the agencies in that the law enforcement officers of one agency cannot make arrests on the other agency's lands. The agencies have made some progress in this regard by having some interagency agreements that cross-delegate some of the law enforcement authority in certain instances on the other agency's lands, such as allowing the officers of either agency to participate in investigations; to stabilize a situation; to identify suspects, witnesses, and victims; and to protect a crime scene until the proper law enforcement officer arrives to take charge. Local agency officials acknowledged that while this method of operation is much better than when law enforcement officers had no cross-delegated authority, waiting for the respective law enforcement officer to arrive may

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consume several hours given the remoteness of some of the agencies' lands. They indicated that providing BLM's and the Forest Service's law enforcement officers with more authority to make arrests on the lands of either agency would be more efficient and would provide better coverage.

- *Incompatible communications* systems, including computer, e-mail, and telephone systems, make communications and sharing data very difficult. Virtually every unit we visited stated that these incompatible systems significantly affect the ease with which the two agencies can work together. In La Jara, Colorado, for instance, the cross-delegated field manager/district ranger needed two complete computer systems in his office—one to communicate with the Forest Service and one to communicate with BLM. According to agency officials, they have made progress on eliminating this barrier by using software—particularly for e-mail—that is more compatible between the agencies.

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## A Number of Other Service First Issues Require Management Attention

The full integration of agency operations ultimately depends on resolving the overarching legal and regulatory barriers as the agencies pursue expansion of the initiative. However, before the initiative is expanded agencywide, we believe a number of program management issues need attention. First, the agencies lack a system to collect the basic information on the scope and results of the Service First initiative. Also, the agencies do not have a management review or evaluation component to assess the results of the initiative. Without this information, the Congress and the agencies' decisionmakers cannot readily determine whether the Service First initiative has been successful or has failed or whether the cross-delegation of authority should be extended beyond fiscal year 2005. Second, the agencies have not issued overall guidance on how to implement the Service First initiative. Finally, the management practices employed on the newly created Incentive Fund—established to fund new and innovative Service First projects—have been weak, in that the process for selecting projects to fund was not documented and no assurance exists that the agencies selected the best projects. Collectively, we believe the agencies need to better manage the Service First initiative and address the issues we identified.

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## Agencies Lack Basic Information on Service First Initiatives

Neither the Forest Service nor BLM has a system in place to collect basic information on the number of locations participating in Service First activities, the types of projects undertaken, or the savings or benefits the projects achieve. When we requested such data, the agencies had to

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recreate the information for us to use. However, the data the agencies provided were incomplete, inaccurate, and did not necessarily include only Service First projects. We could not be assured that all of the 272 projects finally identified were initiated directly in response to the Service First initiative or whether the activities were merely a continuation of existing cooperative efforts between the Forest Service and BLM. In addition, the agencies were unable to provide existing documentation to support the savings they reported. However, when we requested support for their claimed savings, the local units recreated their explanations of the bases for the savings they claimed.

Maintaining basic program data and results achieved also becomes critical under the annual reporting requirements of the Government Performance and Results Act of 1993. Both agencies cite Service First activities among the initiatives to improve customer service in the strategic plans they prepared in compliance with the act. For example, BLM, in its fiscal year 2000 plan, uses as a performance measure the number of interagency centers providing services to the public, and the Forest Service cites in its fiscal year 2000 plan as a performance indicator, "improve service to public land users by providing one-stop shopping for information, permits, and other frequently requested over-the-counter products and services at BLM and Forest Service facilities." Yet, if the agencies do not have a system in place to maintain such basic information as the number and location of units participating in Service First activities, the quality of the information they will be able to report on these performance measures is questionable.

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### Service First Initiative Lacks a Measurement and Program Evaluation Component

The Service First initiative has no required program evaluation component. The need for such a component has been repeatedly discussed by the agencies since the initial "kick-off" meetings with the pilot locations in 1996 and has continued to be discussed during subsequent meetings of the Interagency Steering Committee. At a June 1996 meeting with the Forest Service and BLM top management, a BLM official stressed the need to be able to measure performance in order to be able to justify the need for things like the "dual designations" and other waivers. The official was also interested in seeing what real cost savings could be made and how employees would be affected. Yet 4 years later, no measurement system or program evaluation component exists.

Efforts to perform program evaluations have been minimal as these examples show:

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- While both the Colorado and Oregon pilot locations issued accomplishment reports for their first years of operation, according to agency officials, no accomplishment reports or program evaluations were prepared for fiscal years 1998 and 1999 after the Service First initiative went agencywide.
  - The agencies' initial efforts in fiscal year 1999 to evaluate the initiative through national validation studies on customer service began in three states—Oregon, California, and Wyoming—with the remaining states scheduled for review in fiscal years 2000 and 2001. The validation studies, however, assess an individual state's progress toward implementing its proposed Service First plan rather than assessing the overall success or failure of the Service First initiative.
  - Finally, in summer 2000, the Forest Service and BLM began undertaking a systematic study of customer satisfaction with Service First rather than merely relying on customers voluntarily submitting customer comment cards.

While these efforts contribute to an overall evaluation of the Service First initiative, they are not designed in a cohesive manner that will ensure that the agencies will be able to provide an overall assessment of whether the initiative has achieved or failed to meet its goals. This type of program evaluation is critical for providing the Congress and the agencies' managers with the information necessary for making programmatic decisions and for assessing the success or failure of the initiative. Since the Service First cross-delegation authority expires in fiscal year 2005, the agencies need to develop information on the initiative to ensure that decisionmakers have the tools to make informed decisions about whether to continue the initiative.

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### Service First Initiative Lacks Uniform Operating Guidance

No agencywide operating guidance or requirements were established for Service First because the initial intent was to provide participating units with the flexibility to experiment with how to carry out their missions. Each participating unit used the existing procedures of the two agencies. Over time, as more units began participating in Service First-type activities, the need for consistent approaches became more apparent. As a result, the financial and administrative offices of BLM and the Forest Service began developing a "Concept of Operations" for administering collaborative projects under Service First. The Concept of Operations was intended to outline standard business procedures and to give practical advice and guidance on how to implement Service First effectively while complying with the laws and regulations governing the various financial and business

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operations. Initial topics covered issues such as budgeting and finance; acquisition of goods and services; and other agreements such as cooperative and interagency agreements, human resource management, information resource management, and the volunteer program.

After being refined, the Concept of Operations was to be issued agencywide by early October 1999 after the agencies consulted with the Partnership Council (composed of Forest Service and union representatives). However, before the Concept of Operations could be finalized, a federal employee union raised concerns about the legality of delegating supervisory authority between the agencies and the Forest Service's Employee and Labor Relations Branch requested an opinion from the Department of Agriculture's Office of General Counsel.<sup>8</sup> As a result of the union's concerns about supervision and other issues contained in the Concept of Operations, the Forest Service's Chief Operating Officer issued a memorandum in February 2000 stating, "Any new projects outside those areas [of the original pilot locations] where bargaining unit employees would be affected should not be implemented until agreement is reached by the national Parties." According to an agency official, because the Concept of Operations has not been issued, local units must proceed on their own or wait to further implement Service First efforts. Additional work on the Concept of Operations, such as for expanding the discussion on acquisition management, has also been deferred pending the completion of the union negotiations. According to a Forest Service labor management official, the negotiations with the union are continuing. He estimated that the Concept of Operations would not be issued agencywide until the end of November 2000 at the earliest.

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### The Service First Incentive Fund Is Not Meeting Its Intended Purpose

For fiscal year 2000, the Forest Service and BLM established a \$600,000 Service First Incentive Fund—with equal funding from each agency—to fund innovative, cutting-edge projects to help accomplish the three primary objectives of the Service First initiative. Over 125 proposals totaling almost \$4.5 million vied for the available funding. Proposals were to be assessed using six criteria: (1) apply the concept of leading-edge practices that help accomplish the three primary objectives of Service First; (2) bias toward funding projects with defined outcomes; (3) bias against funding positions or equipment purchases; (4) bias toward expansion into additional

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<sup>8</sup>In March 2000, the General Counsel replied that the current law does extend supervisory authority to delegated managers of both agencies.



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locations or providing seed money; (5) bias toward support of early and continuing innovations; and (6) bias toward new innovations verses duplication of proven practices.

In total, 40 proposals received funding for projects in fiscal year 2000. Over half of the funding was for projects that would fill specific positions—such as a front desk receptionist, seasonal workers, or staff for people-intensive functions such as data entry functions—or would pay for attending meetings or workshops. Another 20 percent of the funding was for equipment or material, including computers and software, telephones, and program materials. The remaining funding was for buildings and facilities, signs and displays, publications such as maps or information brochures, and vehicle use or purchase.<sup>9</sup>

While providing funding for these proposals may increase local units' interest in participating in Service First, we noted problems with the process used to select and fund the projects as well as with the actual projects selected. Four individuals from BLM and the Forest Service associated with the Interagency Steering Committee evaluated the proposals and funding levels and prepared a list of proposals suggested for the full committee's consideration. No documentation exists about the discussions on the proposed initiatives at either the preliminary screening or the final selection stage, about the relative merits of the proposed projects, about how funding decisions were reached, about the issues the steering committee raised about proposals, or about any formal scoring or ranking used to measure the proposals against the established criteria.

We also question whether some of the approved proposals are innovative and cutting-edge or whether the approved funding merely supplements existing budget allocations. We identified a number of funded projects that appear to be for routine operations such as having a person inventory BLM and Forest Service lands and enter the data into the agencies' geographic information system. We also identified projects that appeared to be an attempt to make up for insufficient funding. For example, one funded proposal was for the purchase of two all-terrain vehicles to patrol roads and trails—normal tasks that the agencies would need to perform even if Service First never existed. In addition, the screening officials told us that project funding was distributed to ensure that most participating states received at least some of the Incentive Fund money rather than having all

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<sup>9</sup>See app. VI for details about the 40 projects that were approved.

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of the funds go to the initial pilot locations. As a result, the screening officials indicated that the selected projects could contribute to the Service First goals but acknowledged that the best projects may not have been selected.

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## Conclusions

Service First began as a pilot initiative in Colorado and Oregon in 1996 and has grown across the agencies with ongoing projects in 11 states. As a concept, Service First shows promise in that the initiative has demonstrated certain improvements in customer service, operational efficiencies, and the quality of stewardship on public lands. The initiative is far-reaching, from simple improvements in communications between the agencies to colocation of the agencies' units to achieve operational efficiencies. According to the agencies, the initiative has achieved savings; however, the agencies could not readily provide sufficient documentation to support these estimates, nor did they have a system in place to collect this basic information. We believe that the agencies need to jointly develop a system that will provide reliable data that the Congress and the agencies' decisionmakers can use to determine the extent to which the initiative has been successful and whether the cross-delegation of authority should be extended.

The colocation of Forest Service and BLM units provides the best opportunity for the agencies to jointly serve the public, effect operational efficiencies, and improve the management of the land. Although a limited number of colocations have been accomplished, numerous opportunities exist for expanding the Service First initiative. Although certain factors affect colocation, it is our view that the agencies should develop a colocation plan that sets forth a strategy and prioritizes their resources to achieve the highest number of colocated units.

The Forest Service and BLM have not issued overall management or operating guidance on how the agencies should work together. The Service First initiative, as presently structured, allows local units great flexibility in determining which projects to undertake and how the projects are managed and evaluated. This may have been an acceptable mode of operation initially, but now that Service First units are in 59 cities or towns, consistent business practices and practical advice and guidance on how to implement Service First effectively are needed. The agencies have had a draft of such guidance—the Concept of Operation—for over 2 years but have not issued it. Accordingly, we believe the agencies should expedite the issuance of management and program guidance.

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The administration of the joint Service First Incentive Fund established in fiscal year 2000 to fund innovative, crosscutting projects to further the objectives of Service First was poorly managed. The project selection process was poorly documented and no assurance exists that the agencies selected the best projects. Some projects were not innovative and provided funds for ongoing operations, and others were arbitrarily selected. Creating an Incentive Fund has merit; however, before additional funds are made available for future Incentive Fund projects, we believe that the Forest Service and BLM should jointly establish guidelines for the selection process and documentation requirements.

Preliminary Service First results demonstrate that some benefits have been achieved. However, it is doubtful whether fully integrated operations are possible, given the many legal and regulatory barriers that the initiative currently faces. Resolution of these overarching legal and regulatory barriers will require the agencies and the Congress to reach consensus on the need for change. Pending resolution of these fundamental barriers, successes from the Service First initiative, while beneficial, will be on the margin.

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## Recommendations for Executive Action

To ensure that the Forest Service and BLM can readily provide the Congress and the agencies' decisionmakers with reliable data on the Service First initiative and the results achieved that can be used to determine the extent to which the initiative has been successful and whether the cross-delegation of authority should be extended, we recommend that the Chief of the Forest Service and the Director of BLM jointly develop a system that will provide reliable program data that could serve as a basis for tracking the status and progress of the initiative—including the locations participating in Service First, the types of projects undertaken, and the savings or benefits achieved from the projects—and provide a basis for measuring and evaluating the results of the initiative.

To ensure that the agencies are reaping the full benefits of colocation, we recommend that the Chief of the Forest Service and the Director of BLM work together to develop a colocation plan that will (1) include a review and determination of the feasibility of colocating Forest Service and BLM units, (2) develop time frames for colocating the units, and (3) identify and prioritize the resources needed to achieve colocation.

To better ensure consistent business practices and guidance on how to implement Service First projects, we recommend that the Chief of the

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Forest Service and the Director of BLM expedite the completion and issuance of its Concept of Operations.

To ensure that the best projects are funded by the Incentive Fund, we recommend that the Chief of the Forest Service and the Director of BLM jointly establish guidelines for the selection process and the documentation of the decision-making process to be used before additional funds are made available for future Incentive Fund awards.

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## Agency Comments

We provided the Forest Service and BLM with a draft of this report for comment prior to its issuance. In their coordinated responses, the Forest Service and BLM generally concurred with our recommendations. They also said that our report thoroughly documented the quantified benefits achieved and identified the necessary improvements to leverage the inherent efficiencies of the agencies' collaboration and colocation efforts. The agencies, however, suggested that our report could have discussed the applicability of Service First as a governmentwide model and the intrinsic benefits of customer service. We agree that Service First may be a promising approach; however, as pointed out in our report, numerous barriers exist that must be addressed, and other managerial problems must be corrected before Service First can be considered as a model. With regard to customer service, we note in our report that Service First has increased customer service; however, a detailed analysis was not possible given the lack of overall agency customer survey data. The full text of the Forest Service's and BLM's responses can be found in appendixes VIII and IX, respectively.

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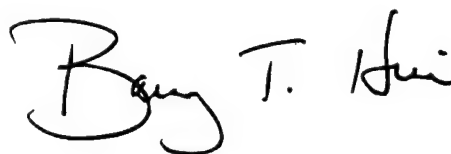
We conducted our work from October 1999 through October 2000 in accordance with generally accepted government auditing standards. Appendix VII provides our objectives, scope, and methodology.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 7 days after the date of this letter. At that time, we will send copies to the Honorable Eva Clayton, Ranking Minority Member, Subcommittee on Department Operations, Oversight, Nutrition, and Forestry, House Committee on Agriculture; and the Honorable Adam Smith, Ranking Minority Member, Subcommittee on Forests and Forest Health, House Committee on Resources. We will also send copies of this report to the Honorable Dan Glickman, Secretary of Agriculture; the Honorable Bruce Babbitt,

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Secretary of the Interior; the Honorable Mike Dombeck, Chief of the Forest Service; the Honorable Tom Fry, Director, Bureau of Land Management; and other interested parties. We will make copies available to others on request.

If you or your staff have any questions about this report, please call me at (202) 512-3841. Key contributors to this report are listed in appendix X.

A handwritten signature in black ink that reads "Barry T. Hill". The signature is written in a cursive, flowing style.

Barry T. Hill  
Director, Natural Resources  
and Environment



# The Forest Service's and BLM's Use of Cross-Delegation of Authority

## The Agencies First Considered Cross-Delegation During the Pilot Phase

During the pilot phase of the Service First initiative, at least one unit placed an employee of the Bureau of Land Management (BLM) in charge of managing the offices and the staff of both a national forest managed by the Forest Service and a BLM district office. The agencies determined that this transfer of administrative functions between the agencies was not legally permitted. At a February 1997 meeting, agency officials recognized that the lack of the cross-delegation of authority was a barrier to improving customer service and that, without the cross-delegation of authority, the advantages of the agencies working together would be lost. Finally, the officials noted that the absence of shared positions could cause waste, duplication, and inferior public service. As a result, the agencies sought legislation to allow them to experiment with the cross-delegation of authority at the initial pilot locations.

The reciprocal delegation of authority between the Forest Service and BLM was enacted as part of the Department of the Interior and Related Agencies Appropriation Act for fiscal year 1998, dated November 14, 1997. Section 331 of the act authorizes the Secretaries of the Interior and Agriculture to "make reciprocal delegations of their respective authorities, duties, and responsibilities in support of joint pilot projects to promote customer service and efficiency in the management of public lands and national forests." Section 331 also provided that "nothing herein shall alter, expand or limit the existing applicability of any public law or regulation to lands administered by the Bureau of Land Management or the Forest Service." This authority was granted on a trial basis through fiscal year 2002. The Department of the Interior and Related Agencies Appropriation Act for fiscal year 2001, dated October 11, 2000, extended the reciprocal delegation of authority through fiscal year 2005. Section 330 of the act authorized the Secretaries of the Interior and Agriculture to "make reciprocal delegations of their respective authorities, duties and responsibilities in support of the 'Service First' initiative agency-wide to promote customer service and efficiency. Nothing herein shall alter, expand or limit the applicability of any public law or regulation to lands administered by the Bureau of Land Management or the Forest Service."

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## The Director of BLM and the Secretary of Agriculture Have Delegated Their Authority

Pursuant to section 331, on December 16, 1997, the Director of BLM redelegated his authority to enter into reciprocal agreements with the Forest Service to all assistant directors, state directors, center directors, and the director, Office of Fire and Aviation in Instruction Memorandum No. 98-39.<sup>1</sup> In turn, the memorandum states that these individuals can redelegate this authority as described in the BLM manual, section 1203—Delegation of Authority. Instruction Memorandum 98-39 was subsequently incorporated into the BLM manual and is effective until fiscal year 2002. The manual states that delegations of authority are made by giving written notice, signed by the official delegating the authority, and sent to the positions receiving the authority. Related instructions explain that employees must comply with all laws, regulations, policies, and labor-management agreements applicable to the other agency's lands.

Similarly, the Secretary of Agriculture delegated his authority to enter into reciprocal agreements with BLM to the Chief of the Forest Service. This delegation was contained in Secretary's Memorandum 1030-41, dated November 10, 1998, and was recently reissued as Secretary's Memorandum 1030-47, dated September 11, 2000. The memorandum authorizes the Chief to redelegate this authority to lower-level Forest Service officials as long as the delegations to BLM employees are in writing to a named individual; the instrument delegating the authority is clear that BLM employees must comply with Forest Service laws, regulations, and labor agreements; and Forest Service employees are notified of such delegations of authority to BLM employees.

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## The Use of Cross- Delegation of Authority Varies

According to the agencies, eight major Service First locations are using the cross-delegation of authority where Forest Service employees are supervising BLM employees and vice versa, excluding firefighting programs and activities.<sup>2</sup> Five of the locations are in Oregon and three are in Colorado. The use of the cross-delegation of authority varies from a dual

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<sup>1</sup>No separate delegation of authority was made from the Secretary of the Interior to the Director of BLM because, according to BLM's manual on cross-delegation of authority, BLM authorities are derived from the Secretary of the Interior, through the Assistant Secretary, Lands and Minerals Management.

<sup>2</sup>We have excluded firefighting activities because efforts to consolidate the firefighting operations of BLM and the Forest Service began before the pilot phase of the Service First initiative.



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**Appendix I**  
**The Forest Service's and BLM's Use of Cross-**  
**Delegation of Authority**

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designated manager responsible for a colocated BLM and Forest Service office to an administrative officer responsible for the administrative functions of both agencies. Where the cross-delegation of authority is being used, it has been implemented through delegation letters, position descriptions, and memorandums of understanding. The following examples highlight how some of the locations are using the cross-delegation of authority.

- Durango, Colorado, was the first location to use a cross-delegated manager responsible for both Forest Service and BLM operations. At Durango, the Forest Supervisor is also the field office manager and is responsible for three Forest Service ranger districts, the Anasazi Heritage Center, and the newly created Canyons of the Ancients National Monument. Currently, according to the center manager, the abandoned-mine, fire, range, wildlife, and recreation programs have cross-delegated managers or staff with position descriptions reflecting their duties as cross-delegated managers. Under a proposed reorganization, the ranger districts and field office would be integrated into three watershed-based landscapes and the three district rangers would be cross-delegated. The forest supervisor would become the center manager, and a new position of associate center manager/deputy forest supervisor would be created, with both positions cross-delegated to jointly provide leadership for both agencies' operations.
- At Lakeview, Oregon, the BLM Lakeview District Office and the Forest Service's Fremont National Forest Supervisor's Office have colocated their operations. This supervisor's office also has responsibility for the Winema National Forest. The agencies signed a delegation of authority agreement that provides that the forest supervisor of the Fremont National Forest may serve as the acting district manager, Lakeview District, BLM and that the Lakeview District BLM manager may serve as the acting supervisor of the Fremont National Forest. The Lakeview office includes 182 employees, of whom 23 have shared responsibilities between both BLM and the Forest Service. Both agencies generally pay equally for the salaries of employees with shared responsibilities. For example, the public affairs officer is a Forest Service shared employee, while the administrative officer is a BLM shared employee. The administrative officer, in addition to being a shared BLM employee, is a cross-delegated manager and the Forest Service pays half of her salary.

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**Appendix I**  
**The Forest Service's and BLM's Use of Cross-**  
**Delegation of Authority**

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As a cross-delegated employee, she supervises 39 employees—25 Forest Service employees and 12 BLM employees.<sup>3</sup> Within the administrative office, two Forest Service managers supervise BLM employees and one BLM manager supervises Forest Service employees. In the cases of these cross-delegated managers, their position descriptions contain their authority to supervise employees of the other agency.

- In Cañon City, Colorado, BLM and the Forest Service colocated their operations, which are now headed by a BLM employee who is a cross-delegated manager. Within this office, four positions held by Forest Service employees have shared responsibilities and two positions held by BLM employees have shared responsibilities. Examples of employees with shared responsibilities include recreation technicians and information specialists. An interagency agreement between BLM and the Forest Service authorized the colocation of the offices and the dual agency authority to supervise both BLM and Forest Service teams. The agencies modified the position descriptions for these employees to reflect the cross-delegated authorities.
- Two other Colorado field locations—Saguache and La Jara—colocated their operations and have cross-delegated managers. In each of these locations, a Forest Service employee serves as the BLM field area manager and each of them is funded by both agencies. In Saguache, five additional Forest Service employees and one BLM employee have shared responsibilities. In La Jara, two additional Forest Service employees and one BLM employee have shared responsibilities. Examples of employees with shared responsibilities include wildlife biologists and cultural resource specialists. The managers for Saguache and La Jara also derived their cross-delegated responsibilities from a memorandum of understanding, and the position descriptions were modified to reflect the cross-delegation of authority.
- The Central Oregon Initiative is another example of the use of cross-delegation of authority, although this initiative will not become operational until December 2000. Under this initiative, the Ochoco National Forest and the Deschutes National Forest will be merged under one forest supervisor and will be colocated with the Prineville BLM District in Prineville, Oregon. This arrangement will eliminate the forest supervisor position of the Ochoco National Forest but will include two associate forest supervisors, one of whom will be the district manager of the Prineville BLM District Office, while the

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<sup>3</sup>Two other positions do not have an agency affiliation; one is an independent contractor, and the other is a student trainee.

other is assigned to the Deschutes National Forest. According to Forest Service and BLM officials, improved public service and stronger natural resource programs will result from this new organization.

Agency officials we spoke to agreed that the cross-delegation of authority has been beneficial in improving customer service. These officials also noted that if the cross-delegation of authority was not reauthorized, relations with the public would decline, and it would be difficult and expensive to bring in new people to replace those holding cross-delegated positions.

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## **Other Uses of Cross-Delegation Exist**

We found two examples of the Forest Service and BLM's cross-delegating land management decisions under the authorities of section 331:

- The regional forester, Rocky Mountain Region delegated the authority to the BLM Colorado state director to make decisions and issue a right-of-way easement over National Forest System lands to allow the installation of fiber optic cable along an interstate highway.
- The BLM Wyoming state director delegated to the regional foresters, Rocky Mountain Region and Intermountain Region, the authority to conduct subsurface mineral investigations on Forest Service lands in Wyoming that are the subject of land exchanges. Prior to this delegation of authority, BLM would conduct subsurface mineral investigations on Forest Service lands because BLM, not the Forest Service, has responsibility for the subsurface of federal lands.

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## **The Forest Service Labor Union Has Challenged Cross-Delegation Authority**

The major union representing Forest Service employees questioned the legality of Forest Service employees supervising BLM employees and vice versa and raised the issue to Forest Service management. On October 18, 1999, the Forest Service requested advice from the Department of Agriculture's Office of General Counsel. On March 29, 2000, the Deputy Assistant General Counsel issued a legal memorandum that concluded that BLM employees could exercise supervisory control over Forest Service employees by delegation under section 331 of the 1998 appropriations act and vice versa. However, because of the union's concerns, the Forest Service's Chief Operating Officer, in a February 11, 2000, memorandum, stated that because the union and the Forest Service have not yet agreed on a "Concept of Operations" describing labor-management relations in regard

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**Appendix I**  
**The Forest Service's and BLM's Use of Cross-**  
**Delegation of Authority**

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to Service First projects, new projects outside those in Regions 2 and 6 should not be implemented until an agreement is reached.

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# Types of Agreements Used in Service First Projects

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The Forest Service and BLM use several types of agreements under which their Service First projects are carried out. These agreements establish the framework under which the agencies implement the projects and generally set the responsibilities and funding requirements of both agencies.

- *Umbrella memorandums of understanding* are generally those between a BLM state office and a Forest Service regional office that provide broad authorizations. An example of an umbrella memorandum of understanding is one between BLM's Colorado State Office and the Forest Service's Rocky Mountain Region that provides cross-designation of law enforcement authority to BLM and Forest Service law enforcement personnel in carrying out their duties to protect the public and employees, regardless of which agency administers the lands.
- *Specific memorandums of understanding* are those that are between specific local BLM and Forest Service units and are prepared to authorize and document a specific project or task to be undertaken at the local level. An example of a specific memorandum of understanding is one between BLM's Tillamook Resource Area and the Forest Service's Hebo Ranger District to issue and administer joint firewood sales permits to the public in the vicinity of Tillamook County, Oregon.
- *Interagency agreements* are generally prepared to provide materials, supplies, equipment, or services to the other agency and usually provide for an exchange of funds. An example of an interagency agreement is one in Prineville, Oregon, between the Forest Service's Ochoco National Forest and BLM's Prineville District Office. The purpose of the agreement is to facilitate the sharing of expertise between the agencies through personnel details, shared positions and staffs, and other mutually agreeable arrangements.
- *Informal agreements* are generally reciprocal in nature and do not necessarily require formal documentation. An example of an informal agreement is one among the Forest Service's Alaska Regional Office, BLM's Alaska State Office, and the other land management agencies in the Anchorage area that permits each agency's employees to attend training offered by any of the other agencies, thus stretching their training budgets.

# Number and Type of Ongoing Service First Projects by State, Fiscal Year 1996 Through the First Half of Fiscal Year 2000

**Table 2: Type of Activity of Service First Projects**

Type of activity	Number of projects with each type of activity <sup>a</sup>	Percentage of total
Shared personnel	71	22
Customer service and information	25	8
Shared equipment and facilities	21	6
Joint projects	107	33
Joint management of lands	67	21
Other <sup>b</sup>	33	10
<b>Total</b>	<b>324</b>	<b>100</b>

<sup>a</sup>The number of projects exceeds our Service First universe of 272 projects because a project may address one or more type of activity.

<sup>b</sup>"Other" includes all other projects and activities that cannot easily be categorized among the other five categories.

Source: GAO based on data provided by the Forest Service and BLM.

**Appendix III**  
**Number and Type of Ongoing Service First**  
**Projects by State, Fiscal Year 1996 Through**  
**the First Half of Fiscal Year 2000**

**Table 3: Number of Service First Projects and Goals to Be Achieved by State, Fiscal Year 1996 Through the First Half of Fiscal Year 2000**

State	Number of projects	Percentage of total	Goal project is intended to achieve <sup>a</sup>		
			Increase customer service	Increase operating efficiency	Increase quality of resource stewardship
Alaska	2	1	0	2	1
Arizona	3	1	2	2	3
California	8	3	7	7	1
Colorado	65	24	26	52	31
Idaho	12	4	6	10	4
Nevada	17	6	6	14	8
New Mexico	8	3	3	6	3
Oregon	120	44	61	73	50
Utah	7	3	3	7	3
Washington	10	4	0	6	10
Wyoming	20	7	14	14	9
<b>Total</b>	<b>272</b>	<b>100</b>	<b>128</b>	<b>193</b>	<b>123</b>

<sup>a</sup>Individual projects may address one or more goals.

Source: GAO based on data provided by the Forest Service and BLM.

# Number of Forest Service and BLM Units With Leases Expiring in the Next 20 Years

Years remaining on lease	Number of units
1 year (or less)	18
2 years	14
3 years	10
4 years	9
5 years	6
6-10 years	22
11-20 years	21
<b>Total</b>	<b>100</b>

Source: GAO based on data provided by the Forest Service and BLM.



# Potential Opportunities for Forest Service and BLM to Colocate Units

State/unit	City	Agency	Government-owned unit	Leased unit	Years remaining on lease	Planned colocation date <sup>a</sup>
<b>ALASKA</b>						
Alaska State Office	Anchorage	BLM		X	1	
Campbell Tract Facility	Anchorage	BLM	X			
Anchorage Field Office	Anchorage	BLM	X			
State and Private Forestry	Anchorage	FS		X	4	
Chugach National Forest	Anchorage	FS		X	4	
<b>ARIZONA</b>						
Safford Field Office	Safford	BLM		X	3	
Safford Ranger District	Safford	FS	X			
Tucson Field Office	Tucson	BLM	X			
Coronado National Forest	Tucson	FS	X			
Santa Catalina Ranger District	Tucson	FS	X			
<b>CALIFORNIA</b>						
Bishop Field Office	Bishop	BLM		X	2	
Inyo National Forest	Bishop	FS		X	1	
White Mountain Ranger District	Bishop	FS	X			
Surprise Field Office	Cedarville	BLM	X			
Warner Mountain Ranger District	Cedarville	FS		X	1	
California Desert District Office	Riverside	BLM		X	1	
South Zone Operations	Riverside	FS		X	2	
<b>COLORADO</b>						
Columbine West Ranger District	Durango <sup>b</sup>	FS	X			
Trimble Work Center	Durango <sup>b</sup>	FS	X			
Kremmling Field Office	Kremmling	BLM		X	1	2001
Parks Ranger District	Kremmling	FS	X			2001
White River Resource Area	Meeker	BLM		X	3	
Blanco Ranger District	Meeker	FS		X	4	
<b>IDAHO</b>						
Burley Field Office	Burley	BLM		X	2	
Burley Ranger District	Burley	FS		X	3	
Coeur d'Alene River Ranger District	Coeur D'Alene	FS	X			
Idaho Panhandle National Forest	Coeur D'Alene	FS		X	4	
Caribou National Forest	Pocatello <sup>c</sup>	FS		X	0	2000

**Appendix V  
Potential Opportunities for Forest Service  
and BLM to Colocate Units**

(Continued From Previous Page)

State/unit	City	Agency	Government-owned unit	Leased unit	Years remaining on lease	Planned colocation date <sup>a</sup>
Idaho Falls Field Office	Idaho Falls	BLM		X	20	2000
Upper Snake River District Office	Idaho Falls	BLM		X	20	2000
Palisades Ranger District	Idaho Falls	FS		X	1	
Mallad Ranger District	Mallad	FS	X			2001
Mallad Field Station	Mallad	BLM		X	1	2001
Pocatello Field Office	Pocatello	BLM		X	4	2001
Westside Ranger District	Pocatello	FS		X	1	2001
Salmon Field Office	Salmon	BLM		X	20	2000
Salmon and Challis National Forests	Salmon	FS		X	2	2000
Salmon/Cobalt Ranger District	Salmon	FS		X	2	2000
Jarbridge Field Office	Twin Falls	BLM		X	1	2001
Sawtooth National Forest	Twin Falls	FS		X	1	2001
Twin Falls Ranger District	Twin Falls	FS		X	1	2001
<b>MISSISSIPPI</b>						
Jackson Field Office	Jackson	BLM		X	5	
National Forests in Mississippi	Jackson	FS	X			
<b>MONTANA</b>						
Garnet Resource Area	Missoula	BLM	X			
Northern Region	Missoula	FS	X			
Lolo National Forest	Missoula	FS	X			
Missoula Ranger District	Missoula	FS	X			
<b>NORTH DAKOTA</b>						
North Dakota Field Office	Dickinson	BLM		X	1	
Little Missouri National Grassland	Dickinson	FS		X	2	
<b>NEW MEXICO</b>						
Cuba Field Station	Cuba	BLM		X	1	
Cuba Ranger District	Cuba	FS		X	3	
Grants Field Station	Grants	BLM		X	1	
Mt. Taylor Ranger District	Grants	FS		X	2	
<b>NEVADA</b>						
Spring Mt. National Recreation Area	Las Vegas	FS		X	1	2000
Las Vegas Field Office	Las Vegas	BLM	X			2000
Tonopah Field Station	Tonopah	BLM	X			
Tonopah Ranger District	Tonopah	FS	X			
<b>OREGON</b>						
Wallow-Whitman National Forest	Baker City <sup>b</sup>	FS	X			

**Appendix V  
Potential Opportunities for Forest Service  
and BLM to Colocate Units**

(Continued From Previous Page)

State/unit	City	Agency	Government-owned unit	Leased unit	Years remaining on lease	Planned colocation date <sup>a</sup>
Medford District Office	Medford	BLM	X			
Butte Falls Field Office	Medford	BLM	X			
Ashland Field Office	Medford	BLM	X			
Grants Pass Field Office	Medford	BLM	X			
Glendale Field Office	Medford	BLM	X			
Rogue River National Forest	Medford	FS	X			
Oregon State Office	Portland	BLM		X	4	2001
Pacific Northwest Region	Portland	FS		X	11	2001
Pacific Northwest Research Station	Portland	FS		X	11	2001
Big Summit Ranger District	Prineville <sup>b</sup>	FS	X			
Roseburg District Office	Roseburg	BLM	X			
Swiftwater Field Office	Roseburg	BLM	X			
South River Field Office	Roseburg	BLM	X			
Umpqua National Forest	Roseburg	FS		X	3	
<b>UTAH</b>						
Fillmore Field Office	Fillmore	BLM	X			
Fillmore Ranger District	Fillmore	FS	X			
Moab District Office	Moab	BLM		X	1	
Moab/Monticello Ranger District	Moab	FS	X			
Monticello Field Office	Monticello	BLM		X	4	
Moab/Monticello Ranger District	Monticello	FS		X	5	
Saint George Field Office	Saint George	BLM		X	5	
Pine Valley Ranger District	Saint George	FS	X			
Salt Lake Field Office	Salt Lake City	BLM		X	5	
Salt Lake Ranger District	Salt Lake City	FS		X	1	
Wasatch-Cache National Forests	Salt Lake City	FS	X			
<b>WASHINGTON</b>						
Wenatchee Field Office	Wenatchee	BLM		X	4	
Wenatchee National Forest	Wenatchee	FS		X	5	
<b>WISCONSIN</b>						
Milwaukee Field Office	Milwaukee	BLM		X	3	
Eastern Region	Milwaukee	FS		X	3	
<b>WYOMING</b>						
Cody Field Office	Cody	BLM		X	2	
Shoshone National Forest	Cody	FS		X	3	
Kemmerer Field Office	Kemmerer	BLM		X	1	2001

**Appendix V**  
**Potential Opportunities for Forest Service**  
**and BLM to Colocate Units**

(Continued From Previous Page)

State/unit	City	Agency	Government-owned unit	Leased unit	Years remaining on lease	Planned colocation date <sup>a</sup>
Kemmerer Ranger District	Kemmerer	FS		X	5	2001

Note: BLM is Bureau of Land Management and FS is Forest Service.

<sup>a</sup>A total of 22 offices have firm plans to colocate and the year in which they plan to colocate is indicated in the table. The remaining 69 units are in government-owned buildings or have leases that expire in 5 years or less but, at the time of our review, did not have firm plans to colocate.

<sup>b</sup>Units in Prineville and Baker City, Oregon, and Durango, Colorado, may explore the possibility of colocating with the other existing Forest Service and BLM units that are colocated in the respective town or city.

<sup>c</sup>The Caribou National Forest office in Pocatello, Idaho, plans to colocate with BLM in Idaho Falls.

Source: GAO's analysis of Forest Service and BLM data.

# Incentive Fund Projects Funded in Fiscal Year 2000

Table 4: Incentive Fund Projects Funded by the Forest Service and BLM by State

Project	Amount proposed	Funded by	
		BLM	FS
<b>Alaska - 1 initiative</b>			
Develop Web page for the Alaska Land Managers Forum	\$6,000	\$6,000	
<b>California - 2 initiatives</b>			
Develop a high-quality South Yuba River joint recreation map	13,000	13,000	
Shared radio/telecommunications equipment	50,000		\$25,000
<b>Colorado - 11 initiatives</b>			
Complete office integration in San Luis Valley	25,000	25,000	
Identify and enter range improvements into geographic information system	20,700		10,000
Identify and enter weed inventory into geographic information system	20,700		10,000
Purchase two all-terrain vehicles to patrol roads and trails	11,000		5,000
Purchase two snowmobiles and a trailer to patrol winter sports area	14,300		5,000
Update planning document for Trickle Mountain area of critical environmental concern	10,500	11,000	
Establish consistent signs for motorized vehicle routes	20,000		20,000
Evaluate joint firewood cutting rules, regulations, and signs	8,000		8,000
Mountain Pine Beetle management - Cochetopa Hills	8,000		8,000
Joint support for Forest Keepers junior ranger program	5,000		5,000
San Juan Basin heritage site stewardship	84,000		40,000
<b>Idaho - 4 initiatives</b>			
Temporary-use work station for peak service times at interagency visitor center	12,000		12,000
Shared minerals materials appraiser position	6,000	6,000	
Eastern Idaho visitor information center	17,000		17,000
Additional funding for full National Environmental Policy Act compliance study	10,000	10,000	
<b>Montana - 3 initiatives</b>			
Fund BLM portion of joint off-highway vehicle environmental impact study/planning amendment	45,000		25,000
Communication site improvements/tower replacement	50,000	12,000	
Erect sign for BLM office colocated with Lewis & Clark National Forest office that already has a sign	8,000	8,000	
<b>Nevada - 2 initiatives</b>			
Provide shared customer services and lay data and phone lines (2 proposals funded together)	20,800	21,000	
<b>New Mexico - 2 initiatives</b>			
Shared telecommunication sites	69,500		26,000
Colocate BLM procurement staff into Forest Service building	70,000	20,000	

**Appendix VI  
Incentive Fund Projects Funded in Fiscal  
Year 2000**

(Continued From Previous Page)

Project	Amount proposed	Funded by	
		BLM	FS
North Dakota - 1 initiative			
Shared library/resource center to promote resource conservation	12,000		12,000
Oregon - 8 initiatives			
Illinois Valley visitor information center staffing and supplies	8,000	8,000	
Interagency trail brochure - electronic and hard copy versions	15,000		15,000
Interagency district manager position	43,000		43,000
Fund half of a position to develop proposals for regulatory and legislative changes in personnel authorities to allow both agencies to use the same employment authorities	35,000	35,000	
Evaluate colocation done in January 1999 to validate accomplishments and benchmark successes	5,000		5,000
Service First transition coordinator position	50,000	25,000	
Service First meeting - travel and per diem costs	9,000	9,000	
Conservation owner's manual	32,950	16,000	
Utah - 3 initiatives			
Leave No Trace	9,000		9,000
Outdoor recreation information center in Salt Lake City - seed money to shift operation to a nonprofit	50,000	30,000	
Interagency information center in St. George, Utah	57,000	27,000	
Wisconsin - 1 initiative			
American Outdoors brochure	3,000	3,000	
Wyoming - 2 initiatives			
Public information kiosk	10,000	10,000	
Patent issuance delegation	5,000	5,000	
Total	\$948,450	\$300,000	\$300,000

Note: BLM is the Bureau of Land Management and FS is the Forest Service.

Source: GAO based on Forest Service and BLM data.

Appendix VI  
Incentive Fund Projects Funded in Fiscal  
Year 2000

Table 5: Purpose of Incentive Fund Projects Funded

Project	Funding provided for <sup>a</sup>					
	People <sup>b</sup>	Signs/ displays <sup>c</sup>	Publications <sup>d</sup>	Equipment/ materials <sup>e</sup>	Vehicles <sup>f</sup>	Buildings/ facilities <sup>g</sup>
<b>Alaska - 1 initiative</b>						
Develop Web page for the Alaska Land Managers Forum	\$6,000					
<b>California - 2 initiatives</b>						
Develop a high-quality South Yuba River joint recreation map	13,000					
Shared radio/telecommunications equipment				\$25,000		
<b>Colorado - 11 initiatives</b>						
Complete office integration in San Luis Valley		\$5,000		15,000		\$5,000
Identify and enter range improvements into geographic information system	10,000					
Identify and enter weed inventory into geographic information system	10,000					
Purchase two all-terrain vehicles to patrol roads and trails					\$5,000	
Purchase two snowmobiles and a trailer to patrol winter sports area					5,000	
Update planning document for Trickle Mountain area of critical environmental concern	11,000					
Consistent signs for motorized vehicle routes		20,000				
Joint firewood cutting rules, regulations, and signs		8,000				
Mountain Pine Beetle management - Cochetopa Hills	8,000					
Joint support for Forest Keepers junior ranger program				5,000		
San Juan Basin heritage site stewardship	40,000					
<b>Idaho - 4 initiatives</b>						
Temporary-use work station for peak service times at interagency visitor center				12,000		
Shared minerals materials appraiser position	6,000					
Eastern Idaho visitor information center						17,000
Additional funding for full National Environmental Policy Act compliance study	10,000					

Appendix VI  
Incentive Fund Projects Funded in Fiscal  
Year 2000

(Continued From Previous Page)

Project	Funding provided for <sup>a</sup>					
	People <sup>b</sup>	Signs/ displays <sup>c</sup>	Publications <sup>d</sup>	Equipment/ materials <sup>e</sup>	Vehicles <sup>f</sup>	Buildings/ facilities <sup>g</sup>
<b>Montana - 3 initiatives</b>						
Fund BLM portion of joint off-highway vehicles environmental impact study/planning amendment	25,000					
Communication site improvements/tower replacement						12,000
Erect a sign for BLM office co-located with Lewis & Clark National Forest office that already has a sign		8,000				
<b>Nevada - 2 initiatives</b>						
Provide shared customer services and lay data and phone lines (2 proposals funded together)	2,500	7,500		1,500		8,700
<b>New Mexico - 2 initiatives</b>						
Shared telecommunication sites				26,000		
Colocate BLM procurement staff into Forest Service building				20,000		
<b>North Dakota - 1 initiative</b>						
Shared library/resource center to promote resource conservation				12,000		
<b>Oregon - 8 initiatives</b>						
Illinois Valley visitor information center staffing and supplies	8,000					
Interagency trail brochure - electronic and hard copy versions			\$ 15,000			
Interagency district manager position	43,000					
Fund half of a position to develop proposals for regulatory and legislative changes in personnel authorities to allow both agencies to use the same employment authorities	35,000					
Evaluate colocation done in January 1999 to validate accomplishments and benchmark successes	5,000					
Service First transition coordinator position	25,000					
Service First meeting - travel and per diem costs					9,000	
Conservation owner's manual			16,000			
<b>Utah - 3 initiatives</b>						
Leave No Trace	9,000					



**Appendix VI**  
**Incentive Fund Projects Funded in Fiscal**  
**Year 2000**

(Continued From Previous Page)

Project	Funding provided for <sup>a</sup>					
	People <sup>b</sup>	Signs/ displays <sup>c</sup>	Publications <sup>d</sup>	Equipment/ materials <sup>e</sup>	Vehicles <sup>f</sup>	Buildings/ facilities <sup>g</sup>
Outdoor recreation information center in Salt Lake City - seed money to shift operation to a nonprofit	30,000					
Interagency information center in St. George, Utah	22,000	4,000		1,000		
<b>Wisconsin - 1 initiative</b>						
American Outdoors brochure			3,000			
<b>Wyoming - 2 initiatives</b>						
Public information kiosk						10,000
Patent issuance delegation	5,000					
<b>Total</b>	<b>\$323,500</b>	<b>\$52,500</b>	<b>\$34,000</b>	<b>\$17,500</b>	<b>\$19,000</b>	<b>\$52,700</b>
<b>Percentage of total funding provided</b>	<b>54%</b>	<b>9%</b>	<b>6%</b>	<b>20%</b>	<b>3%</b>	<b>9%</b>

<sup>a</sup>The "Funding provided for" categories exclude \$800 in funding that does not fit into any of the categories. The excluded amount does not affect the percentages shown.

<sup>b</sup>People - Funding for specific positions such as a front desk receptionist, generic staff such as seasonal workers, or people-intensive functions such as combining geographic information system data, and meeting/workshop attendance (including per diem and transportation costs).

<sup>c</sup>Signs/displays - Funding for road or informational signs or interpretive displays. Includes costs to design and fabricate the signs and displays.

<sup>d</sup>Publications - Funding for publications such as maps, brochures, or manuals.

<sup>e</sup>Equipment/materials - Funding for equipment, including computers and software, telephones, and program materials.

<sup>f</sup>Vehicles - Funding for vehicle use or purchase. Vehicles include off-road vehicles such as all-terrain vehicles.

<sup>g</sup>Buildings/facilities- Funding for new buildings or facilities as well as any additions, improvements, or modifications to existing ones. Includes costs for upgrading/installing telecommunication cable.

Source: GAO based on Forest Service and BLM data.

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Appendix VI  
Incentive Fund Projects Funded in Fiscal  
Year 2000

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**Table 6: Service First Proposals Funded by State**

State	Number of proposals funded	Amount funded
Alaska	1	\$6,000
California	2	38,000
Colorado	11	147,000
Idaho	4	45,000
Montana	3	45,000
Nevada	2	21,000
New Mexico	2	46,000
North Dakota	1	12,000
Oregon	8	156,000
Utah	3	66,000
Wisconsin	1	3,000
Wyoming	2	15,000
Total	40	\$600,000

Source: GAO based on Forest Service and BLM data.

# Objectives, Scope, and Methodology

As a follow-up to our report on the organizational structures and responsibilities of the Forest Service and BLM,<sup>1</sup> the chairmen of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry, House Committee on Agriculture, and the Subcommittee on Forests and Forest Health, House Committee on Resources, requested that we assess the agencies' Service First initiative. Specifically, we were asked to address the following questions: (1) What have been the results to date of the Service First initiative? (2) What opportunities exist to expand Service First between the Forest Service and BLM? (3) What barriers exist for expanding Service First between the Forest Service and BLM? In addition, during the course of our work, we identified and examined other issues—the Service First Incentive Fund and the Transfer Appropriation Account.

To determine the current status of the Service First initiative, we reviewed agency documents and evaluative reports; reviewed pertinent laws and regulations; met with headquarters, regional/state, and local agency officials; and requested that the agencies provide us information on the ongoing Service First projects. The locations visited included both those units that had participated in the initial pilot program as well as units currently not participating in the program but generally located in the same community as one another. The locations visited are shown in table 7.

**Table 7: Locations Visited**

City and state	Forest Service unit	BLM unit
Denver, Colorado	Region 2—Rocky Mountain Region	Colorado State Office
Cañon City, Colorado	San Carlos Ranger District, Pike-San Isabel National Forests	Cañon City District Office, Front Range Center, Royal Gorge Resource Area
Saguache, Colorado	Saguache Ranger District, Rio Grande National Forest	Saguache Field Office
La Jara, Colorado	Conejos Peak Ranger District, Rio Grande National Forest	La Jara Field Office

<sup>1</sup>*Land Management: The Forest Service's and BLM's Organizational Structures and Responsibilities*, (GAO/RCED-99-227, July 29, 1999).

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**Appendix VII**  
**Objectives, Scope, and Methodology**

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<b>City and state</b>	<b>Forest Service unit</b>	<b>BLM unit</b>
Del Norte, Colorado	Divide Ranger District, Rio Grande National Forest	None
Durango, Colorado	San Juan National Forest	San Juan Field Office
Montrose, Colorado	Ouray Ranger District, Grand Mesa, Uncompahgre, and Gunnison National Forests	Uncompahgre Basin Field Office
Grand Junction, Colorado	Collbran/Grand Junction Ranger District, Grand Mesa, Uncompahgre, and Gunnison National Forests	Grand Junction Field Office
Portland, Oregon	Region 6—Pacific Northwest Region	Oregon State Office
Prineville, Oregon	Ochoco National Forest Deschutes National Forest	Prineville District Office
Lakeview, Oregon	Fremont National Forest Winema National Forest	Lakeview District Office
Klamath Falls, Oregon	Winema National Forest	Klamath Falls Resource Area Office
Roseburg, Oregon	Umpqua National Forest	Roseburg District Office
Coos Bay, Oregon	Oregon Dunes National Recreation Area Powers Ranger District, Siskiyou National Forest	Coos Bay District Office

In addition, to determine how the cross-delegation of authority was being used, we obtained and reviewed the agency documents that delegated the authorities, duties, and responsibilities of the Secretary of Agriculture and the Secretary of the Interior to agency officials and discussed the authorities with agency officials. We obtained agency documents—memorandums of understanding, position descriptions, letters authorizing cross-delegations, and organization charts—and discussed these with agency officials. We also obtained a legal memorandum prepared by the Department of Agriculture's Office of the General Counsel concerning the legality of one agency's personnel supervising the other agency's personnel under the cross-delegation of authority—an issue raised by the union representing Forest Service employees and discussed this memorandum with officials of the Office of General Counsel as well as an official on the Forest Service's Human Resources Management staff who handles union relations.

To determine the results to date of the Service First projects, we asked the agencies to provide electronic information on (1) the locations of all participating units with ongoing projects, (2) the types of agreements under which the projects were carried out, (3) the year the project was initiated, (4) the type of activity the project involved, (5) the program goals the project were intended to achieve, and (6) the savings and benefits achieved by the project. The agencies did not readily have this information but collected it from the field locations, consolidated the data, and forwarded the electronic spreadsheets to us. While the agencies provided information on a total of 588 projects, we needed to exclude 67 wildfire-related projects, since fire activities have been well coordinated for many years and we did not consider them efforts initiated as a result of Service First. In addition, we excluded from our analysis (1) 152 pre-1996 projects, as these predated the Service First initiative; (2) 83 projects from fiscal years 1996 and 1997 that were not part of the original pilot projects; and (3) 14 other projects that were not between the Forest Service and BLM. The agencies agreed that these non-Service First projects should be excluded. We focused our analysis on 272 ongoing projects that were initiated beginning in fiscal year 1996 when the pilot initiative began up until the first half of fiscal year 2000.

We provided copies of the revised data to the agencies for their review and concurrence. On a limited basis, we also reviewed the projects and identified missing data elements and inconsistent information. Because of time limitations, we could not verify the accuracy and reliability of all of the information provided by the agencies; however, we used the agencies' data as they were the only data available.

To estimate the total dollar savings for all Service First projects, we developed in discussions with Forest Service and BLM officials four financial savings categories: cost avoidance, one-time dollar savings, annual savings, and cumulative dollar savings. We also requested that the units provide us with documentation for the dollar savings claimed. The financial data initially provided by the agencies were incomplete and contained a number of inconsistencies. We discussed with the agencies our concerns about the data and obtained additional information and made corrections where needed. While we used the financial information provided by these agencies, we did not independently verify its reliability or trace it to the systems from which it came. We did not verify the completeness or accuracy of all the data because such an effort would have required a significant investment of time and resources. However, to the extent practical, we reconciled inconsistencies in the data provided by the

agencies and reviewed in more detail the financial data from four of the units that we visited. These units represent about 57 percent of the overall dollar savings claimed.

To determine what opportunities exist for colocating Forest Service and BLM facilities or administrative units, we identified 169 units where each agency had one or more units in the same town or city. We identified these units from data developed from our prior work. We contacted these units and verified their latest addresses and updated field locations that had undergone reorganizations. We contacted each of the units to determine whether a BLM unit was currently colocated with a Forest Service unit and vice versa. We determined whether these units were housed in a government-owned or leased facility and, if leased, when the lease was to expire. We also asked whether any discussions were under way concerning colocation between the Forest Service and BLM or other government agencies. We analyzed the data collected for these 169 units and identified the potential candidates for colocating and also identified the primary obstacles that the agencies may face in colocating.

To determine what barriers impede further collaboration and cooperation between the agencies, we reviewed agency program and evaluative documents; reviewed current and proposed legislation and regulations; and discussed current and proposed projects with headquarters, regional/state, and local agency personnel. We also met with customers receiving the agencies' services, union representatives, and representatives of the Department of Agriculture's Office of the General Counsel and the Department of the Interior's Office of the Solicitor to obtain their views on the programs and potential barriers.

To obtain an understanding of the fiscal year 2000 Service First Incentive Fund, we interviewed members and advisers of the Interagency Steering Committee concerning the formulation of the Incentive Fund. We also obtained the original proposals, the selection criteria, and the identity of projects funded. We discussed the selection process with officials from BLM and the Forest Service who had key responsibilities in the Incentive Fund process. We also categorized the projects by their proposed uses—such as people, equipment/materials, and building/facilities. We also assessed the purpose of the projects to determine whether the initiatives were innovative or cutting-edge by comparing them with activities routinely budgeted for by BLM and the Forest Service as part of their normal appropriation process.

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**Appendix VII**  
**Objectives, Scope, and Methodology**

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To determine how the Forest Service and BLM used the Transfer Appropriation Account approved in the fiscal year 2000 appropriations act, we reviewed pertinent legislation, reviewed agency documents, and discussed the proposed process with headquarters and local officials. We also met with congressional staff who had been involved with the introduction of the language in the Interior and Related Agencies Appropriations Act for fiscal year 2000.

We performed our work from October 1999 to October 2000 in accordance with generally accepted government auditing standards.

# Comments From the Forest Service



United States  
Department of  
Agriculture

Forest  
Service

Washington Office

14<sup>th</sup> & Independence SW  
P.O. Box 96090  
Washington, DC 20090-6090

File Code: 1420 NOV 7 2000  
Date:

Mr. Barry T. Hill  
Director, Natural Resources and Environment  
U.S. General Accounting Office  
Washington, DC 20548

Dear Mr. Hill:

Thank you for the opportunity to review and comment on the General Accounting Office's (GAO) draft report entitled "Land Management Agencies: Ongoing Initiative to Share Activities and Facilities Needs Management Attention" (GAO-RCED-01-50, Assignment Code: 141390). While we generally concur with the recommendations of the report, we believe additional areas of inquiry and interest should have been made part of the report.

GAO thoroughly documented the quantified benefits achieved and identified necessary improvements to leverage the inherent efficiencies of collaborating and co-location by the Bureau of Land Management and the Forest Service. However, we believe the report did not go far enough in exploring the "Service First" business model, examining the indicators of whether this model is effective in the changing government environment, or documenting the critical success factors for collaborative arrangements among two or more agencies. The 5-year effort by Service First in exploring the barriers to cross-agency collaboration can provide many lessons for other agencies and valuable information for Congress in exploring similar opportunities.

Service First was created in response to our customers, and their common desire for one-stop shopping and less confusion resulting from our internal administrative differences. We believe the intrinsic benefits of improved customer service are more valuable than the accounting and financial benefits noted in the report, albeit more difficult to measure. The absence of the customer focus from the report only gives an accounting perspective of Service First.

Although our survey data are not as abundant as we would like, public feedback indicates that our day-to-day customers and stakeholders support Service First. Finally, the barriers GAO identified as hindering increases in customer service, operational efficiency, and resource stewardship, can be overcome with additional congressional support and the commitment of both agencies.



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Appendix VIII  
Comments From the Forest Service

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Mr. Barry T. Hill

Our response has been coordinated with the Bureau of Land Management. If you have additional questions, please contact the Agency's External Audit Liaison, Linda Washington at (202) 205-3761.

Sincerely,



PHIL JANIK  
Chief Operating Officer

# Comments From the Bureau of Land Management



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Washington, D.C. 20240  
<http://www.blm.gov>

November 3, 2000

Mr. Barry T. Hill  
Director, Natural Resources and Environment  
U. S. General Accounting Office  
Washington, D.C. 20548

Dear Mr. Hill:

Thank you for the opportunity to review and comment on the General Accounting Office's (GAO) draft report entitled "**Land Management Agencies: Ongoing Initiative to Share Activities and Facilities Needs Management Action**" (GAO-RCED-01-50). While we generally concur with the recommendations of the report; we believe additional areas of inquiry and interest could have been made part of the report.

The GAO thoroughly documented the quantified benefits achieved and identified necessary improvements to leverage the inherent efficiencies of collaboration/collocation by the Forest Service and the Bureau of Land Management. However, we believe the report did not go far enough in exploring the "Service First" business model, examining the indicators of whether this model is effective in the changing government environment, or documenting the critical success factors for collaborative arrangements among two or more agencies. The five-year effort by Service First in exploring the barriers to cross-agency collaboration can provide many lessons for other agencies and valuable information for Congress in exploring similar opportunities.

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**Appendix IX  
Comments From the Bureau of Land  
Management**

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Our response has been coordinated with the Forest Service. If you have additional questions, please contact Andrew Goldsmith, Management Analyst, on 202-452-5169 or Rebecca Mack, Management Analyst on 202-452-5047.

Sincerely,

  
Nina Rose Hatfield  
Deputy Director

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# GAO Contacts and Staff Acknowledgments

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## GAO Contacts

Barry T. Hill, (202) 512-3841  
Linda L. Harmon, (202) 512-3841

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## Acknowledgments

In addition to those named above, Doreen Feldman, June Foster, Alfredo Gómez, Bert Japikse, John Kalmar, and John Murphy made key contributions to this report.

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